

TENNESSEE REGULATORY AUTHORITY

Sara Kyle, Chairman
Lynn Greer, Director
Melvin Malone, Director



460 James Robertson Parkway
Nashville, Tennessee 37243-0505

January 10, 2001

TRANSMITTED VIA FAX
(770) 232-9208 / ORIGINAL TO FOLLOW VIA U.S. MAIL

Mr. Lance Steinhart
Attorney At Law
6455 East Johns Crossing, Suite 285
Duluth, Georgia 30097

RE: VIVO-TN, LLC (Docket No. 00-001092) (2nd request)

Dear Mr. Steinhart:

The *Tennessee Regulatory Authority* requests the following information regarding the Application of VIVO-TN, LLC (hereafter "VIVO-TN" or "Applicant") for a Certificate of Public Convenience and Necessity to provide competing telecommunications services throughout the State of Tennessee pursuant to TCA §65-4-201.

Financial Requirements:

Provide the following financial information of the Applicant:

1. Provide a November 30, 2000 Income Statement in accordance Generally Accepted Accounting Principles. The income statement that was provided only reflected a zero amount on the page. The Applicant's income statement probably reflects at least some legal and accounting expenses, if not more expense accounts.
2. The amounts in the projected financial statements need to agree with the submitted current financial statements.
 - a) How does your Company have projected financial statements that reflect \$0 capital assets and large amounts of accumulated depreciation? (How does your Company have an accumulated depreciation expense when the company does not reflect any assets on their balance sheet?)
 - b) Why does the long-term liability account reflect a negative amount? (A long-term liability account usually has a credit balance on most corporate balance sheets, but if the long-term liability account reflects a debit balance, this situation is not normal.) Please explain this account balance and the generally accepted accounting principle utilized in presenting a negative long-term account balance on the balance sheet.
3. Please quantify the amount(s) in the financial statements and projected financial statements that relate to reciprocal compensation?
4. Reminder: TCA §65-4-125 amendment states that all telecommunications service providers subject to the control and jurisdiction of the authority, *except* those owners or operators of

public telephone service who pay annual inspection and supervision fees pursuant to Tennessee Code Annotated, §65-4-301(b), or any telecommunications service provider that owns and operates equipment facilities in Tennessee with a value of more than *five million (\$5,000,000)*, shall file with the authority a corporate surety bond or irrevocable letter of credit in the amount of *twenty thousand dollars (\$20,000)* to secure the payment of any monetary sanction imposed in any enforcement proceeding, brought under this title or the Consumer Telemarketing Protection Act of 1990, by or on behalf of the Authority. Please submit a corporate surety bond or irrevocable letter of credit to the TRA on the provided forms, if applicable.

Please submit the requested information by January 24, 2001. If you have any questions, please contact Darrell Whitis at (615) 741-2904 (ext. 132).

Sincerely,

A handwritten signature in black ink, appearing to read "David Waddell", with a stylized, cursive script.

David Waddell
Executive Secretary

C: Docket File